



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB5428

by Rep. Thomas Morrison - Grant Wehrli - Joe Sosnowski - Amy Grant, Lindsay Parkhurst, et al.

SYNOPSIS AS INTRODUCED:

35 ILCS 200/18-56
35 ILCS 200/18-65
35 ILCS 200/18-70
35 ILCS 200/18-85
35 ILCS 200/18-90

Amends the Truth in Taxation Law in the Property Tax Code. Provides that the adoption of an aggregate levy that exceeds 102% of the amount of the final aggregate levy for the preceding year shall require a truth in taxation hearing and a record vote of two-thirds of the members of the corporate authorities of the taxing district.

LRB101 18959 HLH 68418 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

1 AN ACT concerning revenue.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Property Tax Code is amended by changing
5 Sections 18-56, 18-65, 18-70, 18-85, and 18-90 as follows:

6 (35 ILCS 200/18-56)

7 Sec. 18-56. Legislative purpose. The purpose of this Law is
8 to require taxing districts to disclose by publication and to
9 hold a public hearing on their intention to adopt an aggregate
10 levy in amounts more than 102% ~~105%~~ of the amount of property
11 taxes extended or estimated to be extended, including any
12 amount abated by the taxing district prior to such extension,
13 upon the final aggregate levy of the preceding year.

14 (Source: P.A. 88-660, eff. 9-16-94.)

15 (35 ILCS 200/18-65)

16 Sec. 18-65. Restriction on extension. Until it has complied
17 with the notice and hearing provisions of this Article, no
18 taxing district shall levy an amount of ad valorem tax which is
19 more than 102% ~~105%~~ of the amount, exclusive of election costs,
20 which has been extended or is estimated will be extended, plus
21 any amount abated by the taxing district before extension, upon
22 the final aggregate levy of the preceding year. In addition,

1 notwithstanding any other provision of law, the adoption of an
2 aggregate levy that exceeds 102% of the amount, exclusive of
3 election costs, which has been extended or is estimated will be
4 extended, plus any amount abated by the taxing district before
5 extension, as a final aggregate levy for the preceding year
6 shall require a record vote of two-thirds of the members of the
7 corporate authorities of the taxing district.

8 (Source: P.A. 86-957; 88-455.)

9 (35 ILCS 200/18-70)

10 Sec. 18-70. More than 5% increase; notice and hearing
11 required. If the estimate of the corporate authority made as
12 provided in Section 18-60 is more than 102% ~~105%~~ of the amount
13 extended or estimated to be extended, plus any amount abated by
14 the corporate authority prior to extension, upon the final
15 aggregate levy of the preceding year, exclusive of election
16 costs, the corporate authority shall give public notice of and
17 hold a public hearing on its intent to adopt an aggregate levy
18 in an amount which is more than 102% ~~105%~~ of the amount
19 extended or estimated to be extended upon the final aggregate
20 levy extensions, plus any amount abated, exclusive of election
21 costs, for the preceding year. The hearing shall not coincide
22 with the hearing on the proposed budget of the taxing district.

23 (Source: P.A. 86-957; 88-455.)

24 (35 ILCS 200/18-85)

1 Sec. 18-85. Notice if adopted levy exceeds proposed levy.
2 If the final aggregate tax levy resolution or ordinance adopted
3 is more than 102% ~~105%~~ of the amount, exclusive of election
4 costs, which was extended or is estimated to be extended, plus
5 any amount abated by the taxing district prior to extension,
6 upon the final aggregate levy of the preceding year and is in
7 excess of the amount of the proposed levy stated in the notice
8 published under Section 18-70, or is more than 102% ~~105%~~ of
9 that amount and no notice was required under Section 18-70, the
10 corporate authority shall give public notice of its action
11 within 15 days of the adoption of the levy in the following
12 form:

13 Notice of Adopted Property Tax Increase for ... (commonly
14 known name of taxing district).

15 I. The corporate and special purpose property taxes
16 extended or abated for ... (preceding year) ... were ...
17 (dollar amount of the final aggregate levy as extended).

18 The adopted corporate and special purpose property taxes to
19 be levied for ... (current year) ... are ... (dollar amount of
20 the proposed aggregate levy). This represents a ...
21 (percentage) ... increase over the previous year.

22 II. The property taxes extended for debt service and public
23 building commission leases for ... (preceding year) ... were
24 ... (dollar amount).

25 The estimated property taxes to be levied for debt service
26 and public building commission leases for ... (current year)

1 ... are ... (dollar amount). This represents a ... (percentage
2 increase or decrease) ... over the previous year.

3 III. The total property taxes extended or abated for ...
4 (preceding year) ... were ... (dollar amount).

5 IV. The estimated total property taxes to be levied for ...
6 (current year) ... are ... (dollar amount). This represents a
7 ... (percentage increase or decrease) ... over the previous
8 year.

9 A taxing district may, in its discretion and if applicable,
10 include the following in the notice:

11 V. The taxing district has estimated its equalized assessed
12 valuation to secure new growth revenue and must adhere to the
13 Property Tax Extension Limitation Law (PTELL or "tax cap" law).
14 PTELL limits the increase over the prior year in the property
15 tax extension of this taxing district to the lesser of 5% or
16 the percentage increase in the Consumer Price Index (CPI),
17 which is (insert applicable CPI percentage increase).

18 (Source: P.A. 96-504, eff. 8-14-09.)

19 (35 ILCS 200/18-90)

20 Sec. 18-90. Limitation on extension of county clerk. The
21 tax levy resolution or ordinance approved in the manner
22 provided for in this Article shall be filed with the county
23 clerk in the manner and at the time otherwise provided by law.
24 No amount more than 102% ~~105%~~ of the amount, exclusive of
25 election costs, which has been extended or is estimated to be

1 extended, plus any amount abated by the taxing district prior
2 to extension, upon the final aggregate levy of the preceding
3 year shall be extended unless the tax levy ordinance or
4 resolution is accompanied by a certification by the presiding
5 officer of the corporate authority certifying compliance with
6 or inapplicability of the provisions of Sections 18-60 through
7 18-85. An amount extended under Section 18-107 in 1994 for a
8 multi-township assessment district that did not file a
9 certification of compliance with the Truth in Taxation Law may
10 not exceed 102% ~~105%~~ of the amount, exclusive of election
11 costs, that was extended in 1993, plus a proportional amount
12 abated before extension, upon the levy or portion of a levy
13 that is allocable to assessment purposes in each township that
14 is a member of that multi-township assessment district.

15 (Source: P.A. 88-455; 88-660, eff. 9-16-94.)